

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Investigation into the ratemaking implications for Pacific Gas and Electric Company (PG&E) pursuant to the Commission's Alternative Plan of Reorganization under Chapter 11 of the Bankruptcy Code for PG&E, in the United States Bankruptcy Court, Northern District of California, San Francisco Division, In re Pacific Gas and Electric Company, Case No. 01-30923 DM.

(U 39 M)

Investigation 02-04-026
(Filed April 22, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING SHORTENING TIME TO FILE
COMMENTS ON THE PROPOSED SETTLEMENT; SETTING FILING DATE
FOR PG&E'S ADVICE LETTER**

Summary

This ruling shortens the time for parties to file comments pursuant to Rule 51.4 of the Commission's Rules of Practice and Procedure (Rules) on the Rate Design Settlement filed on January 20, 2004. The time to file comments is shortened to Thursday, January 29, 2004, and the time to file reply comments, if comments are filed, is shortened to Tuesday, February 3, 2004.

Furthermore, Pacific Gas and Electric Company (PG&E) is required to file and serve the advice letter referenced on page 4 of the January 20 Motion for Approval of Rate Design Settlement no later than Monday, January 26, 2004.

The Settlement and Motion for Order Shortening Time

On January 20, 2004, PG&E filed a Motion for Approval of the Rate Design Settlement.¹ A number of parties have entered into this settlement, and these settling parties join in and support the motion for the settlement's approval.²

PG&E also filed a motion for an order shortening time to respond to the motion for approval of the rate design settlement. PG&E requests that parties have seven, as opposed to 30, calendar days to file comments pursuant to Rule 51.4 contesting all or part of the settlement, and three, as opposed to 15, days to file reply comments. PG&E estimates that customer rates would be reduced approximately \$800 million if the Commission approves the Rate Design Settlement, and the settling parties believe it is in the public interest to implement the reduction in customer rates as soon as possible.

In the Motion for Approval of the Rate Design Settlement, PG&E states that it will file an advice letter within a week which sets forth its overall forecast

¹ PG&E filed the motions in this docket but served them on the service lists of PG&E's general rate case, as well as on the service list of this docket. The ALJ has also instructed PG&E to serve the settlement no later than January 21, 2004 on the service list for Rulemaking (R.) 02-01-011.

² The Rate Design Settlement is entitled "Settlement Agreement With Respect to Allocation and Rate Design Issues Associated With the Decrease in 2004 Revenue Requirement Arising From Approval of the Modified Settlement Agreement in Commission Decision 03-12-035." The settling parties include PG&E, the California Manufacturers and Technology Association, the California Large Energy Consumers Association, the California Farm Bureau Federation, the Silicon Valley Manufacturing Group, the Energy Users and Producers Coalition, the Agricultural Energy Consumers Association, the California City-County Street Light Association, the Building Owners and Managers Association of California, the California Retailers Association, Federal Executive Agencies, The Utility Reform Network, Aglet Consumer Alliance, and the Office of Ratepayer Advocates.

revenue requirements for 2004 that will be allocated in accordance with the Rate Design Settlement, along with actual rate and tariff changes to implement the Rate Design Settlement.³

Discussion

Pursuant to Rules 51.4, 51.6, 51.10, and 87 of the Commission's Rules of Practice and Procedure, this ruling shortens the parties' time to file comments contesting all or part of the Rate Design Settlement (see Rule 51.4) until Thursday, January 29, 2004. If comments are filed and reply comments are necessary, the time for filing them is shortened until Tuesday, February 3, 2004.

Good cause exists to shorten these response times because this is a settlement among a diverse spectrum of the parties and concerns a rate decrease for PG&E customers, which issue the Commission desires to consider expeditiously.

Comments and, if necessary, replies shall be filed in this docket only, but shall be served (by both electronic and hard copy service) on the service lists for this proceeding (Investigation 02-04-026), as well as for PG&E's general rate case (Application 02-11-017, et al.), and the direct access rulemaking (R.02-01-011). After this comment period, all further activity concerning this settlement will take place in this docket, with any further pleadings, rulings, decisions, etc. filed and served in this docket only.

Furthermore, PG&E is directed to file and serve the advice letter referred to on page 4 of the January 20 Motion for Approval of the Rate Design Settlement

³ The advice letter is discussed more specifically on page 4 of the January 20 motion.

no later than Monday, January 26, 2004, so that parties may review this information before the comment period expires.

IT IS RULED that:

1. The time to file comments pursuant to Rule 51.4 contesting all or part of the Rate Design Settlement is shortened to Thursday, January 29, 2004, and the time to file reply comments, if comments are filed, is shortened to Tuesday, February 3, 2004.

2. Comments and, if necessary, replies shall be filed in this docket only, but shall be served (both electronically and in hard copy) on the service lists for this proceeding (Investigation (I.) 02-04-026), as well as for Pacific Gas and Electric Company's (PG&E) general rate case (Application (A.) 02-11-017, et al.), and the direct access rulemaking (Rulemaking (R.) 02-01-011). After this comment period, all further activity concerning this settlement will take place in this docket, with any further pleadings, rulings, decisions, etc. filed and served in this docket only.

3. PG&E shall file and serve the advice letter referred to on page 4 of the January 20 Motion for Approval of the Rate Design Settlement no later than Monday, January 26, 2004. PG&E shall serve the advice letter according to the service requirements set forth in paragraph 2 above.

4. Administrative Law Judge (ALJ) Econome (email: jjj@cpuc.ca.gov) is added to the service list of this proceeding. Parties filing comments or replies shall ensure that ALJ Econome is served both electronically and by hard copy with all filings.

5. The Commission shall serve a copy of this ruling on the parties to PG&E's general rate case (A.02-11-017 et al.), the direct access rulemaking (R.02-01-011), and on the parties to this proceeding (I.02-04-026).

Dated January 21, 2004 at San Francisco, California.

/s/ JANET A. ECONOME

Janet A. Econome
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Administrative Law Judge's Ruling Shortening Time to File Comments on the Proposed Settlement; Setting Filing Date For PG&E's Advice Letter and a Notice of Co-Assignment on all parties of record in this proceeding or their attorneys of record.

Dated January 21, 2004, at San Francisco, California.

/s/ ELIZABETH LEWIS
Elizabeth Lewis

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.

The Commission's policy is to schedule hearings (meetings, workshops, etc.) in locations that are accessible to people with disabilities. To verify that a particular location is accessible, call: Calendar Clerk (415) 703-1203.

If specialized accommodations for the disabled are needed, e.g., sign language interpreters, those making the arrangements must call the Public Advisor at

(415) 703-2074, TTY 1-866-836-7825 or (415) 703-5282 at least three working days in advance of the event.